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From: Kavlock, Robert

Sent: Sat 2/11/2017 12:15:08 AM

Subject: Re: News Roundup

You have to work on finding some happy news.

On Feb 10, 2017, at 5:51 PM, Plotkin, Viktoriya < <u>Plotkin.Viktoriya@epa.gov</u>> wrote:

Greenwire Enter the Inhofe infantry

If you're looking to build an army of government aides with experience fighting climate regulations, sparring with environmentalists and cracking down on U.S. EPA, alumni of Sen. Jim Inhofe's office are an obvious place to start. The Trump administration is doing just that, eyeing at least five current and former aides to the Oklahoma Republican for top political jobs working on energy in the White House and in EPA. And the ranks of former Inhofe aides in the executive branch are expected to grow as the Trump team continues to fill out the raft of vacant political slots in agencies across the government. "Given the number of Inhofe staffers who are joining the administration, every inner agency discussion on energy and environment is going to be an alumni reunion," a source close to the administration said. For many energy insiders, it makes sense that an incoming Republican administration would look to Inhofe's staff as a farm team, given that the senator has spent more than a decade as the top Republican on the Senate Environment and Public Works Committee — with jurisdiction over EPA and environmental policy. The expected influx of Inhofe aides is worrisome, however, to greens who view the Oklahoma senator — a proud critic of mainstream climate change science — as an extremist.

So far, President Trump is expected to bring on former Inhofe aides Mike Catanzaro and George David Banks as energy aides in the National Economic Council and National Security Council, respectively. They're expected to play lead roles in shaping domestic and international energy and environmental policies (*Greenwire*, Feb. 8).

Another longtime Inhofe aide, Ryan Jackson, is expected to become EPA's chief of staff after the likely confirmation of Pruitt as EPA administrator. Jackson has worked as Inhofe's chief of staff and as EPW staff director. George Sugiyama, who was on the Trump EPA transition team and is now a political staffer at the agency, was Republican chief counsel on the EPW committee. As the Trump administration prepares to select a deputy EPA administrator, another former Inhofe aide has emerged as a lead contender, according to sources close to the administration's transition process. Andrew Wheeler, former EPW staff director and chief counsel under Inhofe, has met with Pruitt and is in the running for the No. 2 job at EPA, the sources said. Wheeler, who is now at FaegreBD Consulting, was an energy adviser to the Trump campaign. Another prospect for EPA deputy administrator is Donald van der Vaart, former secretary of the North Carolina Department of Environmental

Quality, the sources told E&E News. The former DEQ secretary penned a letter to Trump last year — along with other state environmental officials — telling Trump that EPA has "run out of control." That letter, published by North Carolina Health News, urged Trump to "return environmental leadership to the states." Both of those candidates have met with Pruitt about the job, the sources said, and a decision is expected to be announced after Pruitt's likely confirmation by the Senate. The Wall Street Journal first reported yesterday that Wheeler and van der Vaart were in the running for the EPA deputy administrator post. Several sources have suggested Pruitt could be eyeing a bid for Oklahoma governor in 2018, when current Gov. Mary Fallin (R) hits her term limit. But that appears unlikely. The Hatch Act generally bars federal employees — apart from the president and vice president — from running in partisan elections, so it appears as though Pruitt would need to resign from EPA if he wanted to run for governor in 2018. Another possible option for Pruitt would be a run for Inhofe's Senate seat when the senator's term expires in 2020. Inhofe, 82, told E&E News in September that he had no plans to retire. But some sources suggested he might be willing to step down if he were comfortable with his likely successor. Inhofe has been a strong advocate of Pruitt during the confirmation process.

The Hill GOP bill would gut EPA

A House Republican is sponsoring legislation to cut large portions of the Environmental Protection Agency (EPA), include environmental justice and greenhouse gas programs. Rep. Sam Johnson (R-Texas) introduced the bill he dubs Wasteful EPA Programs Elimination Act Thursday, saying it would save \$7.5 billion annually. That would leave the agency with a budget of less than \$1 billion. Major EPA climate change programs would be eliminated under the measure, like climate research, greenhouse gas reporting and the climate resilience fund. The legislation would also close all of the EPA's regional offices, stop new ground-level ozone pollution regulations and require the agency to lease unused space. "As a fiscal conservative, I believe Washington should be a good steward of taxpayers' dollars," Johnson said in a statement. "Part of being a good steward includes reining in unnecessary spending, holding agencies accountable for 'waste,' and getting rid of politicians' 'pet projects.' For example, American taxpayers shouldn't have to pay for the EPA's many vacant and underutilized properties that the EPA's own Inspector General identified as wasteful," he said. The legislation is modeled after a report from the Heritage Foundation, which identified the EPA programs as wasteful.

E&E News Lawmakers ask EPA, DOE to fine 'clear path' to savings

Republican lawmakers are asking federal agencies, including U.S. EPA and the Department of Energy, to find waste within their agencies. House Energy and Commerce Chairman Greg Walden (R-Ore.) and Rep. Tim Murphy (R-Pa.), who leads the panel's Oversight and Investigations Subcommittee, sent letters today asking agencies if they have any internal studies that identify unnecessary spending. In their <u>letter</u> to acting EPA Administrator Catherine McCabe, Walden and Murphy said the committee is "examining efforts by federal departments and agencies in its jurisdiction to identify administrative waste and 'a clear path' to achieve significant budget savings in the next five years." The lawmakers also sent similar letters to the departments of <u>Energy</u>, <u>Commerce</u>, and <u>Health and Human</u>

Services. The letters were sparked by a December <u>Washington Post story</u>. That article reported on an internal Pentagon study that found the Defense Department could save over \$125 billion in five years by cutting government waste — without reducing the military and civilian workforce. Walden and Murphy asked EPA officials and others whether they had any internal studies similar to the Pentagon budget savings report and, if so, to provide them to the committee. If the agencies did not find such a study, the lawmakers asked them to review the Pentagon report and respond to the panel on what lessons they learned from it that could apply to their agencies.

Greenwire Former EPA boss offers advice to Pruitt, 'freaked out' staff

Former U.S. EPA Administrator William Reilly is keeping a close eye on his former agency. Reilly, who led EPA during the George H.W. Bush administration, was a critic of President Trump's environmental agenda on the campaign trail and joined other former Republican EPA leaders endorsing Democrat Hillary Clinton during the campaign. But while he's watching EPA "really closely," he's "tried not to prejudge," he said. Reilly is hoping Trump's pick to lead EPA, Oklahoma Attorney General Scott Pruitt, will make some positive changes and calm the waters in an agency that's anxious about what's to come. Reilly recently chatted with E&E News about his advice for Pruitt, his political leanings and his bad habits.

What's your advice for Scott Pruitt as he heads into EPA?

I think if you really are going to do some of the things [Trump EPA transition leader] Myron Ebell says they're going to do, you can't do it without statutory changes. You want to do something on your watch for the environment, something positive and memorable and consequential. ... Drinking water might be where it doesn't raise any ideological issues. ... Drinking water is a big problem, we've got a lot of aging infrastructure, and when Trump has spoken about infrastructure, he's often put water first. You think about it, he's a golf course developer. Particularly in the Southwest, he's got to understand water. The transition group terrorized the senior staff and caused them to be very anxious about the future. I had suggested that Pruitt ... reassure them, meet with them, show that he knows the agency. He did demonstrate a lot of knowledge, I thought, in his hearing. And essentially remind people that these folks are not speaking for him. When Myron Ebell said that they were going to cut the staff by two-thirds, that really freaked out a lot of people. I made the point that it's very doubtful that transition people are speaking with authority.

What's your advice to EPA employees right now?

Keep the course and prepare to defend initiatives and their purpose and also their costs. The idea that the place is a regulatory hornet's nest and that it's hobbling all sorts of activity around the country and creativity is, I think, way overdone. I really haven't seen the

industries where that has been a major problem. I guess the mining industry would say it is, but what are we talking about that's so upset the mining industry? It's stream-side protection, it's concern with mountaintop removal. Really, we're going to go back to the way things were done before? I don't think the people — many of them, at least — who pick on the EPA as having run amok in excessive regulation can defend a number of things that now they want to do.

Bloomberg GOP races against time to roll back clock on EPA, other rules

Republicans long supportive of rolling back regulations are making good on their threat to quash Obama era rules after the GOP scored a trifecta by winning the White House and holding control of Congress. The Republican-controlled House is moving at a rapid clip, voting over the last two weeks to nullify a half-dozen rules issued in the waning months of President Barack Obama's presidency—three of them energy or environment related—under a rarely used 1996 law, the Congressional Review Act. And any resolutions nullifying regulations that pass Congress will almost certainly be signed into law by President Donald Trump. "There's plenty of material out there, believe me," Sen. John Thune (R-S.D.) told Bloomberg BNA. "And I think we could keep very busy just processing CRAs." And they are not done yet: on the horizon are resolutions introduced to roll back Environmental Protection Agency rules limiting air pollutants that cross state lines; EPA requirements for risk management plants to prevent chemical releases; and Interior Department rules curbing drilling in the Arctic. Those and other rules being targeted were completed in Obama's last six months, which makes them vulnerable to challenge under the review act's look-back procedures.

Republicans in both chambers have set their sights higher, introducing dozens more disapproval resolutions over the last few weeks. Some however quietly concede their early plans for taking down hundreds of rules completed in Obama's waning months now seem a bit ambitious in light of the CRA's 60-day window for using its expedited procedures for quick up and down votes on rules. Sen. John Barrasso (R-Wyo.) maintains Congress can move more than 100 resolutions to repeal major rules under the CRA—essentially those costing the economy \$100 million or more annually—even accounting for Democrats who he expects to "throw wrenches in the mix." House and Senate tallies of session or legislative days differ but essentially the chambers have until late May or into June to target regulations using the law's expedited procedures. Even in the Senate, where Republicans have a slim 52-48 majority, Democrats have few weapons to defend regulations given the CRA allows rules to be voted down with just a 51-vote majority. The Senate's Feb. 2 vote to kill Interior's rule restricting the dumping of mining waste in streams, the chamber's first on a CRA resolutions this year, also saw four Democrats crossing party lines to vote down the rule: Sens. Joe Donnelly (Ind.), Claire McCaskill (Mo.), Heidi Heitkamp (N.D.) and Joe Manchin (W. Va.). A lone Republican, Maine Sen. Susan Collins, voted no on the resolution. All four Democrats voting with Republican to kill the stream protection rule face 2018 reelection contests in states Trump handily won on Election Day. House Democrats have even fewer weapons other than alerting public health and environmental groups of the next round of resolutions or defending the regulations in floor debated.

But House leaders can see the obvious: a bottleneck looming in the Senate. Largely consumed with Trump Cabinet confirmations that have been slowed by Democrats, Senate Majority Leader Mitch McConnell (R-Ky.) has only been able to pass just two resolutions. "The question is not necessarily how many [rules] we'd want to roll back. It's how much time the Senate has to pick 'em up," said Bishop, who has had a hand in getting the House to roll back several rules already including Interior's stream buffer, methane flaring and land use planning rules. Mike Long, a spokesman for House Majority Leader Kevin McCarthy, said the Republican leadership is aware of the bottleneck concern. But House Republicans still intend to resume CRA efforts to repeal rules when members return the week of Feb. 13, Long told Bloomberg BNA.

CRA resolutions to nullify regulations waiting the wings include:

- S.J. Res. 21, introduced Feb. 3 by Sen. Pat Toomey (R-Pa.) to set aside EPA cross state air pollution rules;
- H.J. Res. 59, introduced Feb. 1 by Rep. Markwayne Mullin (R-Okla.) to kill EPA risk management plan requirements for guarding against accidental chemical releases;
- H.J. Res. 47, introduced Jan. 30 by Young, targeting Interior Department limits on exploratory drilling on the Arctic Outer Continental Shelf; and
- H.J. Res. 46, introduced Jan. 30 by Rep. Paul Gosar (R-Ariz.) to repeal Natural Park Service authority to ban oil, gas and mineral drilling in national parks.

The CRA isn't the only game in town when it comes to rolling back regulations. "We're very much looking at what we can tackle in terms of using the CRA—but just keep in mind there are other tools in our box to address regulatory matters," AshLee Strong, press secretary for House Speaker Paul Ryan (R-Wis.), told Bloomberg BNA. "Just to be clear, a president can do relief from regulations through executive action," she said, noting that White House action on regulatory matters swings both ways. Much of what Obama put in place, either through executive orders or regulatory actions taken by the EPA and other agencies, will be under close scrutiny by the new administration, Strong said. "Anything put into place from executive action can most likely be undone via executive action." Wyoming's Barrasso said the administration will likely have to take the lead in weakening environmental rules ranging from carbon pollution limits for power plants to a Clean Water

Act rule expanding federal jurisdiction over certain waterways. "We'll have new cabinet members who may take another look at those regulations and may want to do a different interpretation," the senator said.

Environmental and public health groups say it may sound like a long shot, but insist there may be a chink in the armor of the congressional rollback strategy now underway: the CRA has been so seldom used, there's no consensus on what the 1996 law meant in declaring that rules once nullified by Congress can't be issued again in "substantially the same form."

Yogin Kothari, Washington representative with the Union of Concerned Scientists' Center for Science and Democracy, asks which law the EPA should follow in a situation where Congress sets aside an air pollution regulation: the resolution nullifying the rule, or the Clean Air Act, which specifically directs the agency to address pollutants? Environmental groups from the Sierra Club to the Environmental Defense Fund to the Natural Resources Defense Council all have been researching the CRA, in some cases for years, poking for vulnerabilities should they have to fight rollbacks in court. "Two federal appeals courts and several federal district courts have examined this section and determined that it unambiguously prohibits judicial review of any question arising under the CRA," according to a Nov. 17, 2016, Congressional Research Service report, "The Congressional Review Act: Frequently Asked Questions." Lisa Heinzerling, professor at Georgetown University Law Center who advised former EPA Administrator Lisa Jackson on climate policy, says unfortunately the debate over regulatory burdens "is often not framed in a reasonable or even honest way. All too often, in fact, the debate recklessly ignores the many benefits of regulation and inaccurately reports its costs," she said at a Feb. 1 regulatory hearing before the Senate Commerce, Science and Transportation Committee. "The specific numbers change from time to time, but the game remains the same" for regulatory opponents, Heinzerling said, which is to make regulations "look outlandish by claiming costs and consequences," she said, "that are not real."

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